

# **CHAPTER 1**

## **PURPOSE AND NEED**

### **1.0 INTRODUCTION**

#### **1.1 PROJECT DESCRIPTION AND LOCATION**

##### **1.1.1 Description**

Double Eagle Petroleum and Mining Company (Double Eagle) of Casper, Wyoming has notified the Bureau of Land Management (BLM), Rawlins Field Office, that the company proposes to explore and potentially develop coalbed methane (CBM) wells in the Cow Creek Pod Project Area (CCPA) of the Atlantic Rim Project Area (ARPA) of southcentral Wyoming (Figure 1-1). The Double Eagle proposal is a part of interim drilling activity under consideration by the BLM, Rawlins Field Office for the purpose of gathering data for the preparation of an Environmental Impact Statement (EIS) for the entire Atlantic Rim CBM project area.

The interim development project consists of fourteen exploratory CBM wells and related facilities in the Cow Creek Pod of the Atlantic Rim CBM project area. Four of these wells were previously analyzed in an environmental assessment (EA) completed by the BLM, Rawlins Field Office on December 14, 2000, and two existing oil and gas wells were approved for recompletion as CBM wells in 1997 and 1999, respectively. This Proposed Action of this EA consists of drilling, completing, and operating eight new productive CBM wells and related production and water disposal facilities. Initial drilling operations are proposed to begin early 2002. The total life of the project (LOP) is estimated at 10 to 15 years.

##### **1.1.2 Location**

The ARPA is located within the administrative boundary of the BLM's Rawlins Field Office. The CCPA is located in Township 16 North, Ranges 91-92 West, Carbon County, Wyoming (Figure 1-2). Access to the CCPA is provided by the two-lane paved Wyoming State Highway 789 (SH 789) from Interstate 80 (I-80) at Creston Junction south towards Baggs, Wyoming, or north from Baggs, Wyoming. Access to the CCPA is by SH 789 north from Baggs for approximately 22 miles to the intersection with Carbon County Road 608 ("Dad Road"). The distance from SH 789 to the CCPA is approximately 3 miles. The CCPA is shown on Figure 1-2.

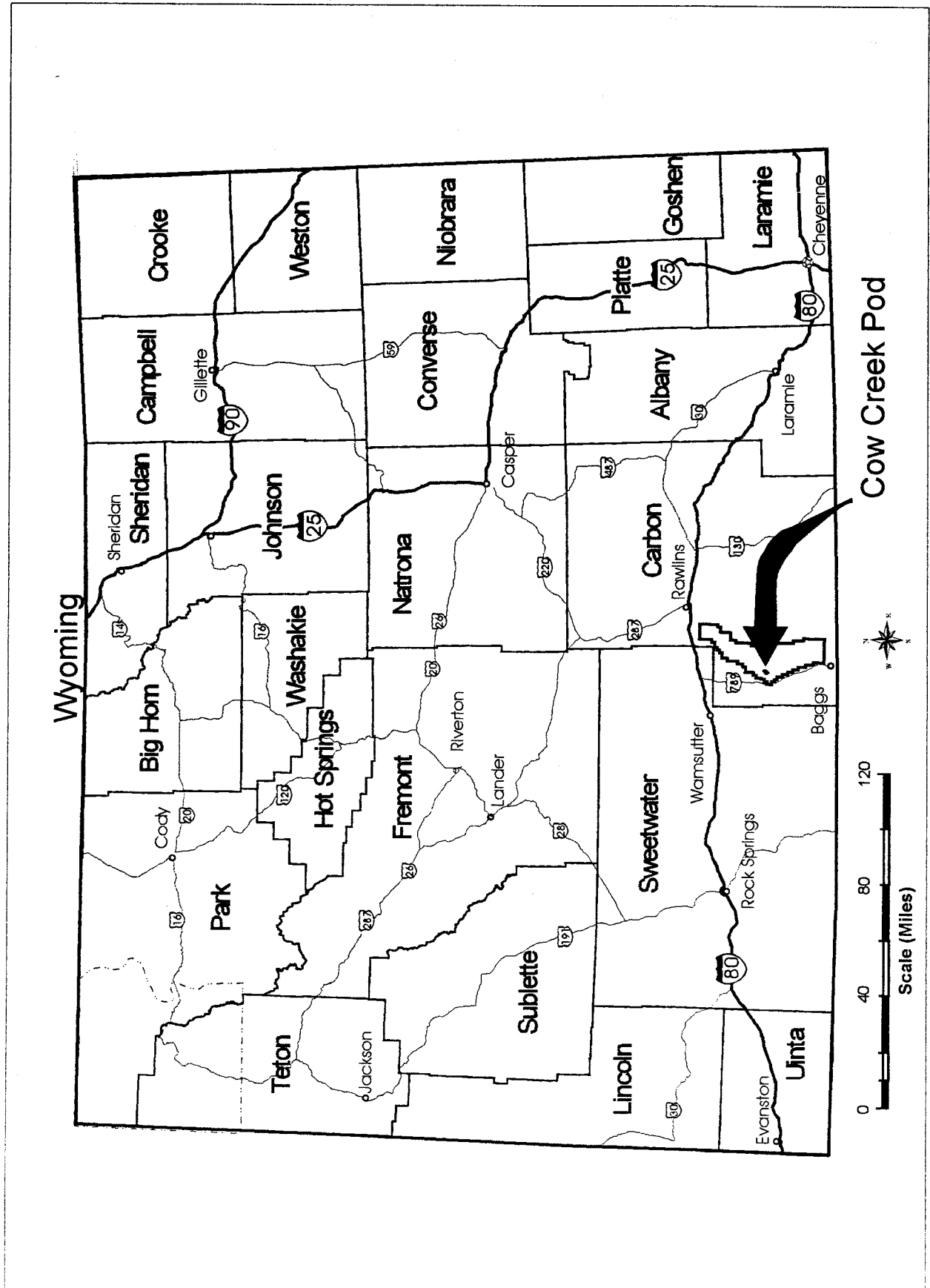
The CCPA encompasses approximately 2,050 acres, all of which are federal surface and federal minerals.

### **1.2 PURPOSE OF AND NEED FOR ACTION**

#### **1.2.1 Purpose and Need For the Proposed Development**

Exploration and development of federal oil and gas leases by private industry is an integral part of the BLM's oil and gas leasing program under authority of the Mineral Leasing Act of 1920 as amended, the Mining and Minerals Policy Act of 1970, the Federal Land Policy and Management Act of 1976, the National Materials and Minerals Policy, Research and Development Act of 1980, and the Federal Onshore Oil and Gas Leasing Reform Act of 1987.

## CHAPTER 1: PURPOSE AND NEED



## CHAPTER 1: PURPOSE AND NEED

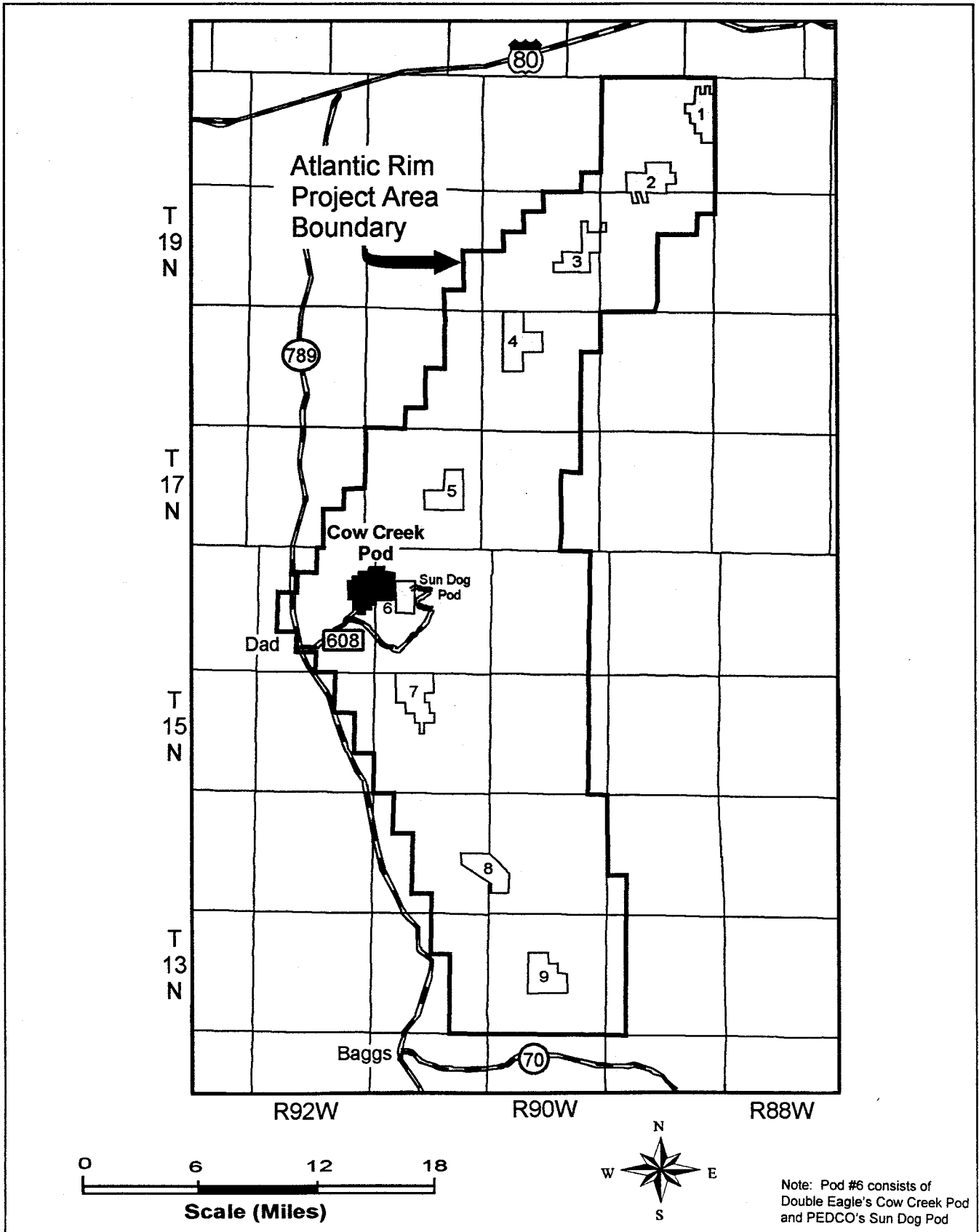


Figure 1-2. Cow Creek Pod in Relation to other Pods within the Atlantic Rim EIS Project Area.

## **CHAPTER 1: PURPOSE AND NEED**

---

The purpose of the proposed CBM development is to exercise the lease holders' rights within the project area to drill for, extract, remove, and market gas products. National mineral leasing policies and the regulations by which they are enforced recognize the statutory right of lease holders to develop federal mineral resources to meet continuing national needs and economic demands so long as undue and unnecessary environmental degradation is not incurred.

Also included is the right of the lease holders within the project area to build and maintain necessary improvements, subject to renewal or extension of the lease or leases in accordance with the appropriate authority. The proposed project would allow Double Eagle to determine through exploration and production of CBM if, and where, larger scale development is feasible.

### **1.2.2 Purpose of the Environmental Analysis Process**

The purpose of this environmental assessment (EA) is to provide the decision-makers with information needed to make a decision that is fully informed and based on factors relevant to the proposal. It also documents analyses conducted on the proposal and alternatives in order to identify environmental impacts and mitigation measures necessary to address issues. The EA also provides a vehicle for public review and comment on the Double Eagle proposal, the environmental analysis, and conclusions about the relevant issues.

This EA has been prepared to evaluate and disclose the potential environmental impacts associated with a coalbed methane project. The proposed exploration project would affect BLM lands managed by the Rawlins Field Office.

Factors considered during the environmental analysis process regarding the exploratory CBM project include the following:

- A determination of whether the proposal and alternatives are in conformance with BLM policies, regulations, and approved resource management plan direction.

- A determination of whether the proposal and alternatives are in conformance with policies and regulations of other agencies likely associated with the project.

- The location of environmentally suitable well pad locations, access roads, pipelines, and production facilities that best meet other resource activities and minimize surface resource impacts yet honor the lease rights within the project area.

- A determination of impacts resulting from the proposed action and alternatives on the human environment, if conducted in accordance with applicable regulations and lease stipulations, and the development of mitigation measures necessary to avoid or minimize these impacts.

### **1.3 RELATIONSHIP TO POLICIES, PLANS, AND PROGRAMS**

The EA is prepared in accordance with the National Environmental Policy Act (NEPA) and is in compliance with all applicable regulations and laws passed subsequent to the act. This EA assesses the environmental impacts of the Proposed Action and No Action Alternatives and serves to guide the decision-making process.

## **CHAPTER 1: PURPOSE AND NEED**

---

### **1.3.1 Conformance with Great Divide Resource Area RMP**

The BLM's Great Divide Resource Management Plan (RMP) and Record of Decision (ROD) (USDI-BLM 1987, 1988a, 1990) directs the management of BLM-administered lands within the project area. The objective for management of oil and gas resources as stated in the RMP is to provide for leasing, exploration and development of oil and gas while protecting other resource values. The ROD found that all public lands in the resource area are suitable for oil and gas leasing and development, subject to certain stipulations. The BLM considers existing RMP oil and gas decisions to be adequate for CBM and allows for the exploration and testing to determine the viability of CBM development.

### **1.3.2 Conformance With Interim Drilling Guidelines**

The CCPA is within one of nine pods that are proposed for exploration and development within the ARPA. Drilling and development will be managed under the guidelines provided by the Interim Drilling Policy - Conditions and Criteria Under Which Development Activities May Occur Concurrent with EIS Preparation for the Atlantic Rim Coalbed Methane Project (see Appendix A).

### **1.3.3 Relationship to Other Plans and Documents**

The proposed project is in conformance with the State of Wyoming Land Use Plan (Wyoming State Land Use Commission 1979) and the Carbon County Land Use Plan (Pederson Planning Consultants 1997, 1998) and would comply with all relevant federal state and local laws and regulations (see Appendix B).

The development of this project would not affect the achievement of the Wyoming Standards for Healthy Rangelands (August 1977).

### **1.3.4 Issues and Concerns**

Environmental and social issues of local importance associated with the Double Eagle exploratory CBM project are identified as follows:

Potential impacts to wildlife habitats within the project area and adjacent lands, primarily sage grouse and big game crucial winter range.

The project area has recorded historical/cultural resource values. There is concern that site disturbing activities associated with exploratory drilling operations may impact historic and cultural values currently unrecorded.

Reclamation of disturbed areas associated with construction activities and off-road travel is a management concern.

Potential impacts to surface water quality is a management concern.

There are concerns regarding potential impacts to air, soil, wildlife, and vegetation within the project area.

Potential impacts to groundwater is a management concern.

## **CHAPTER 1: PURPOSE AND NEED**

---

There are concerns regarding potential impacts to air quality (mostly from generators and processing).

Cumulative impacts to all resources is a management concern.